

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TENNESSEE  
WESTERN DIVISION

ONEBEACON AMERICAN INSURANCE  
COMPANY, f/k/a COMMERCIAL UNION  
INSURANCE COMPANY and AMERICAN  
CENTRAL INSURANCE COMPANY,

Plaintiffs,

v.

No. 04-2432 B  
03-2649 B (CONSOLIDATED)

JACO AIRFIELD CONSTRUCTION, INC., f/k/a  
JACO ELECTRIC, INC., a Georgia corporation,  
MEMPHIS-SHELBY COUNTY AIRPORT  
AUTHORITY, and ILLINOIS VALLEY PAVING  
COMPANY, an Illinois company,

Defendants.

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ORDER OVERRULING PLAINTIFFS' OBJECTION TO AND APPEAL  
FROM THE ORDER OF THE MAGISTRATE JUDGE DENYING PLAINTIFFS'  
MOTION FOR ATTORNEY'S FEES

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This diversity action for declaratory judgment was brought by Plaintiffs, OneBeacon American Insurance Company f/k/a Commercial Union Insurance Company and American Central Insurance Company (collectively "OneBeacon"), for a determination of their rights and obligations under insurance policies issued to Defendant, JACO Airfield Construction, Inc. f/k/a Jaco Electric, Inc. ("JACO"), with respect to an underlying lawsuit in which JACO was joined as a third-party defendant on a claim for indemnification.<sup>1</sup> On January 18, 2005, the Plaintiffs filed a motion to

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<sup>1</sup> In Memphis Shelby County Airport Authority v. Illinois Valley Paving Company, Civil Action No. 01-3041 (W.D. Tenn.), Memphis Shelby County Airport Authority ("MSCAA") filed suit against Illinois Valley Paving Company ("IVP") claiming that IVP breached its contract with MSCAA because the airfield lighting system IVP contracted to provide failed to meet specifications due to the lighting system containing defective cable. IVP brought a third-party

compel and a motion for attorney's fees. The Court referred these to Magistrate Judge S. Thomas Anderson, who granted the motion to compel, but did not rule on the issue of attorney's fees. After JACO filed objections, the Court adopted Magistrate Judge Anderson's order and referred the issue of attorney's fees to Judge Tu M. Pham. (Doc. No. 34.) Magistrate Judge Pham subsequently denied the Plaintiffs' motion for attorney's fees (Doc. No. 45) and the Plaintiffs filed objections to that order (Doc. No. 47).

After reviewing the magistrate judge's order and the Plaintiffs' objections, the court finds that the ruling was not clearly erroneous or contrary to law and thus **AFFIRMS** the magistrate judge's conclusions. See Fed. R. Civ. P. 72 (a).

**IT IS SO ORDERED** this 16th day of April, 2008.

s/ J. DANIEL BREEN  
UNITED STATES DISTRICT JUDGE

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action against JACO seeking indemnification for any alleged damages suffered by MSCAA on the basis that JACO acted as the airfield lighting subcontractor on the project at issue. JACO subsequently filed claims against Graybar Electrical Works Company and Nehring Electric Company, Inc., the seller and manufacturer respectively, of the allegedly defective cable, for damages JACO suffered in this construction project as well as in two other projects. IVP later filed a cross-claim against both Nehring and Graybar.